

EXCESS INSURANCE

Guide in Determining Self-Insurance Retention

<u>SIZE</u>	<u>SELF-INSURED RETENTION</u>	<u>NET WORTH</u>	<u>D&B RATING OR EQUIVALENT</u>
Large/Extra Large	\$250,000/500,000*	\$50,000,000+	5A1
Large	250,000/325,000	50,000,000+	5A2
Small/Medium	150,000/250,000	Less than 50,000,000	4A1 or 2 -or- 3A1 or 2

* \$1,000,000 Self-Insurance Retention is the maximum amount generally accepted. This SIR amount will be acceptable if the self-insured has a current 5A1 Dun & Bradstreet rating or equivalent rating and equity/net worth amount of \$100,000,000 or higher, and all other factors are excellent, such as debt/equity ratio, net profit, etc. A SIR in excess of \$1,000,000 can be accepted for large, extremely financially sound companies; however, the security amount posted shall be equal to the retention amount (i.e., \$2,000,000 SIR/surety bond or letter of credit of \$2,000,000). Generally, this type of company would score in the Dun & Bradstreet upper Quartile block for all key ratios, have limited or no long-term debt, and indicate an excellent financial trend. Having a good "spread-of-risk" for employee location is preferred.

Note: Aggregate limits may be required.